ADMINISTRATIVE POLICY



STATE OF WASHINGTON DEPARTMENT OF LABOR AND INDUSTRIES EMPLOYMENT STANDARDS

TITLE: PAYMENT INTERVAL NUMBER: ES.C.5

CHAPTER: <u>WAC 296-126-023</u> REPLACES: ES-020

<u>WAC 296-131-010</u> ES-030

ISSUED: 1/2/2002

ADMINISTRATIVE POLICY DISCLAIMER

This policy is designed to provide general information in regard to the current opinions of the Department of Labor & Industries on the subject matter covered. This policy is intended as a guide in the interpretation and application of the relevant statutes, regulations, and policies, and may not be applicable to all situations. This policy does not replace applicable RCW or WAC standards. If additional clarification is required, the Program Manager for Employment Standards should be consulted.

This document is effective as of the date of print and supersedes all previous interpretations and guidelines. Changes may occur after the date of print due to subsequent legislation, administrative rule, or judicial proceedings. The user is encouraged to notify the Program Manager to provide or receive updated information. This document will remain in effect until rescinded, modified, or withdrawn by the Director or his or her designee.

Payment Interval. All employers who are subject to RCW 49.12 or RCW 49.46 or who employ agricultural workers as defined by RCW 50.04.150 must pay wages at least once a month on a regular payday. To facilitate bookkeeping, an employer may implement a regular payroll system in which wages from up to seven days before payday may be withheld from the pay period covered and included in the next pay period. This same provision appears in WAC 296-126-023 (Employment Standards), WAC 296-128-035 (Minimum Wages), and WAC 296-131-015 (Agricultural Employment Standards).

The department interprets the payment interval rule as follows:

- 1. The employer must establish regularly scheduled paydays occurring at least once a month.
- 2. Employees must be paid all wages due for the pay period on the established payday.
- 3. The withholding of up to seven days pay "to facilitate bookkeeping" applies to monthly payrolls. If payday falls on the last business day of the month, the employer may withhold (or cut off) up to seven days prior to the end of the month to allow time to prepare the payroll. The seven days would be included in the following month's payroll.
- 4. Payment must be made no later than midnight on the established payday. If the paychecks are mailed, the envelope must be postmarked by midnight on the established payday. If a payday falls on a non-business day, payment must be made by midnight of the next business day. Employers who pay their employees by direct deposit must ensure such deposits have been made and are available to workers on the established payday.